



BEC WORLD PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS FY2023



MANAGEMENT DISCUSSION AND ANALYSIS FY2023

February 23, 2024

BEC Group reported net profit attributable for the year 2023 performance at Baht 210 million, with net cash flow from operation of Baht 1,973.9 million and strong financial position with Cash and short-term investment equivalents of Baht 3,818.7 million as at ending year 2023.

Executive Summary

- Nielsen Media Research declared that the estimated value of television advertising spending in 2023 decreased by 3% compared to 2022, with the Thai economy facing many economic risk factors as well as political uncertainties both domestically and internationally. As a result, investors and entrepreneurs delayed domestic spending throughout 2023. However, despite many challenging factors, the Company was able to increase its leadership and popularity in terms of ratings and viewership of the TV business for the Company's target group.
- BEC World Public Company Limited ("BEC Group" or "The Company") reported a net profit attributable to the Company for year 2023 decreasing 65.4% YoY to Baht 210 million with gross profit margin for the year 2023 at 26.1% from 30.4% in year 2022. The performance of the Company has turned around to profit consecutively since 3Q/20 amid the COVID-19 situation, global economic slow-down, including Thailand. The Company's net profit attributable to the Company in 4Q/23 was at Baht 93.5 million, a decrease of Baht 55.4 million or 37.2% YoY from 4Q/22 but increased Baht 55.6 million or 146.5% QoQ from 3Q/23.
- In 2023, the Company expanded its revenue from the Global Content Licensing and Digital Platform businesses, amounting to Baht 669.2 million representing an increase of Baht 13 MB or 2% YoY from the year 2022. This represented 14.4% of BEC Group's revenue from operation.
- The Company's cash and short-term investment equivalents in the statement of financial position decreased by 3.4% YoY or Baht 133.5 million to Baht 3,818.7 million as at the end of 2023, from Baht 3,952.2 million in 2022, despite a dividend payment totaling Baht 320 million. For the year 2023, the Company had a net cash flow from operating activities of Baht 1,973.9 million.

Significant Developments in the Year 2023

In 2023, the Company was able to maintain its leadership in the TV business in terms of ratings and number of viewers for its target group (Bangkok – Urban, ages 15+) throughout the year 2023, starting off with quality dramas such as “You Touched My Heart”, “Royal Doctor”, “To the moon and back”, “Nobody’s happy if I’m not”, “The Betrayal” and concluding the year with “Love Destiny 2”. The Company continued to expand its market base for all of its businesses, by producing good and creative contents for society which led to soft-power at a national level. BEC group had significant business developments as follows:

1. **Movie Business**

Year 2023 was considered to be a year of success and utmost pride for the Company in the movie business. “Tee-Yod”, the Company's second movie, produced in collaboration with Major Join Film Co., Ltd., which was based on a true story from social media, starring Nadech Kugimiya and Rattanawadee Wongthong. “Tee-Yod” was first screened on October 26, 2023, nationwide.



The movie was considered a phenomenon for the Thai films industry in many aspects:

- The first Thai movie to be shown in the IMAX DMR system and broke the box office record as the highest grossing opening for the year.
- The fastest Thai movie to gross Baht 100 million of the year (within 3 days)
- Thai Film that grossed more than Baht 400 million and became the 4th highest grossing Thai film in history

On October 20, 2023, the Company reported to the Stock Exchange of Thailand (SET) for the establishment of a joint venture between the Company and Major Join Film Co., Ltd. under the name “Joint Venture Major Join Film and BEC World”, which has the expertise in the production of Thai movies. The total capital of the Joint Venture is Baht 82.92 million, of which 50% belonging to the Company.

- #### 2. **Global Content Licensing (GCL) Business** continued to expand its business including distribution to existing customers focusing on the markets in Southeast Asia and Northeast Asia. The Company expanded in new countries for new customers such as 23 countries in Latin America and India as well as selling drama rights in multi broadcasting formats such as Simulcast / Date on Broadcasting on famous international platforms i.e. Netflix, VIU, Amazone Prime, MediaCorp and Netopia.

3. **Digital Platform Business**

From the success of the Company's launch of collaboration projects with business partners such as AIS, SCB, and BBL, with an aimed to increase the number of 3Plus Premium members by offering special privileges for customers of business partners who are fans of Channel 3 dramas, Channel 3 fans can subscribe to the 3Plus Premium package to watch entertainment content, including popular dramas, hit series, and various entertainment programs, and watch them first without interruption and without ads, anywhere, anytime via the 3Plus website and application, with the choice to subscribe on a monthly, 6-months, and yearly basis at a special price.

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In 2023, "3Plus Premium", the Company's online streaming platform, SVOD (Subscription Video on Demand), successfully surpassed 100,000 subscriptions as planned. The Company is also continuously looking for new partnerships.

4. BEC STUDIO Business

On October 2, 2023, BEC STUDIO announced its first overseas market expansion at the "Unbox Thai Entertainment", event organized by Prime Video, a global video streaming service provider. The event was held to launch a new lineup of movies, dramas, series, and concerts from around the world. The Company has sold two dramas to Prime Video: "The Office Game" and "Undercover Chef," which were produced by BEC STUDIO and was streaming on the Prime Video platform in the SEA region during November-December 2023.

5. Music Business

The Company released the second song of "Bow Maylada Susri" following the overwhelmingly positive response to the first single "CUTE" during the end of last year, with over 32 million views on Youtube. As a result, on May 22, 2023, the Company released the second single named "Nae Nam Hai Pen Fan Rao" with more than 10 million views on Youtube within just one month after its release. This achievement was considered another level of success for the music business under the supervision of BEC World.



6. **The Company received the Innovation Awards for the OTT Platform**, an accolade given in recognition of its success in bringing content originally broadcast on terrestrial television to various streaming platforms. This achievement includes excellence in public relations and marketing, both offline and online, leading to the content becoming immensely popular. The drama "Royal Doctor" was a prime example of the creative efforts submitted to the judging committee, which led to BEC World receiving this prestigious award. It is worth noting that BEC World was one of only two Thai companies to receive awards at the Asia-Pacific Broadcasting+ Awards 2023 held in Singapore on June 8, 2023.

7. ContentAsia Awards

The Company received two prestigious awards at the 4th ContentAsia Awards held on August 24, 2023, at The Athenee Hotel Bangkok, for the "Outstanding Asian Director Award" for the series "Bad Romeo" and the Best Asian Drama Soundtrack Award" for the song "I Still Miss You" from the series "Spirits of the Mekong River." These awards are considered outstanding achievements in the Asian television industry. The competition featured 123 participants from 12 Asian countries, including China, Hong Kong, India, Indonesia, Japan, South Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, and Vietnam, making it a significant recognition at the Asian level.

8. Award of Honor for Good Content

On August 26, 2023, the Company received a plaque of honor for the good content from the Ministry of Culture for the drama series "To the Moon and Back". The drama series was recognized for its compelling storyline, outstanding performances, and positive family values. Additionally, the Company organized a "MEET & GREET With IDOL" event, aiming to promote relationships and strengthen the family network. The event took place at the National Art Gallery, Ministry of Culture. Moreover, the drama series "To the

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"Moon and Back" served as a powerful example of Soft Power for Thai society, promoting ethical values, cultural richness, and fostering strong family bonds.

9. BIG3 TASTE of DRAMA

On November 27, 2023, the Company broadcasted the special program "BIG3 TASTE of DRAMA", to reaffirm its commitment to producing content that can appeal to viewers of all ages and on all platforms. Next year, there would be several big dramas, including the series "Duang Jai Taewaprom." The Company also unveiled a new lineup of dramas and variety shows.



10. Love Destiny 2 FAN MEETING

On November 30, 2023, the Company organized "Love Destiny 2 FAN MEETING" at TRUE ICON HALL, floor 7, ICONSIAM.

The event was held to allow fans of the drama "Love Destiny 2" to get closer to the cast, led by Pope Thanawat, Bella Ranee, and Great Warintorn. Moreover, the Company has initiated the management of income from intellectual property or IP Rights, which was filed on June 9, 2023, with copyright registration covering 16 works that are used for business purposes. The Department of Intellectual Property has received a request for copyright registration from BEC World Public Company Limited related to the "Love Destiny2" drama.



11. Others

- On April 28, 2023, the Annual General Shareholders' Meeting of the Company for the year 2023 resolved the dividend payment of Baht 0.16 per share, amounting to Baht 320 million. The dividend payment was made on May 25, 2023
- On November 3, 2023, the Company reported the Stock Exchange of Thailand of the Resignation of the Director and Executive, Mr. Surin Kittayaphongphun has resigned from his position as the Director and Executive of the Company and its subsidiaries, effective from 3rd November 2023. In this regard, the Company has appointed Mr. Chatchai Thiamtong (advisor to the Executive Committee) as Acting President of TV Business.

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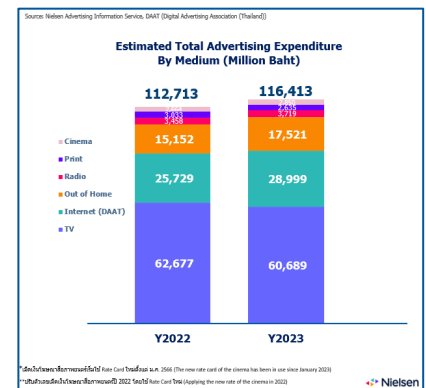
Performance Overview

Economic Overview and Market Situation

The Thai economy in 2023 continued to face many risk factors which recovery was not yet certain from the impact of the global economic recession. Notwithstanding the support from gradual growth in tourism and private consumption, the overall outlook for export and industrial production continued to decline. Additionally, high inflation, global financial markets volatility, ongoing policy rates increases by the central banks as well as higher energy costs induced by geopolitical conflicts had resulted in higher financial and production costs. This was especially true for China, Thailand's major trade partner for almost every products and the world's second largest economy, which had faced numerous economic problems both short and long term.

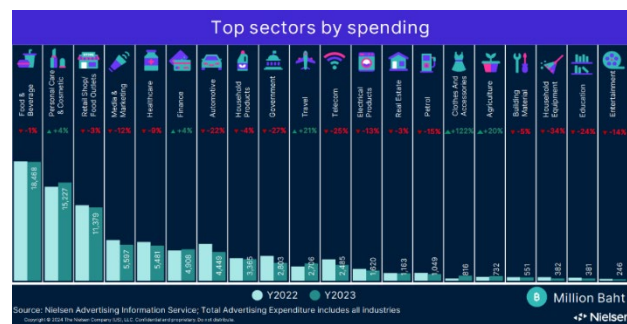
In addition, another factor that had a significant impact on the Thai economy was the political instability in the country due to the transition of government. This resulted in a long-term decline in government consumption and public investment for the year. Entrepreneurs and investors in turn lost confidence and delayed spending in the country throughout 2023. This is in line with the announcement by the National Economic and Social Development Council (NESDC) that Thailand's GDP in 2023 would grow at 2.7%, a relatively low growth rate compared to many other countries in the region and in the same tier.

Nielsen Media Research ("Nielsen") reported that the estimated advertising expenditures (AdEx) for the year 2023 at Baht 116,413 million, an increase of 3.3%YoY compared to Baht 112,713 million in 2022. The media with the highest increase was Out of Home media, which increased 15.6% YoY, and Internet – DAAT media which increased 12.7% YoY as the COVID-19 situation had eased and people were able to return to normal life more, coupled with changes in the media consumption behavior of the public. The total advertising expenditure of the television ("TV") group was Baht 60,689 million, a decrease of 3.2% compared to the previous year. The TV group was still the main advertising medium and had the largest market share of about 52.1%.



The top three industries with the highest advertising spending in 2023 were:

1. Food & Beverage Industry, with a market value of Baht 18,468 million, decreasing 1%YoY.
2. Personal Care and Cosmetic Industry, with a market value of 15,227 million, increasing 4% YoY.
3. Retail Shop/ Food Outlets with a market value of 11,739 million, decreasing 3% YoY.



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Consolidated Statement of Income

STATEMENT OF INCOME (Consolidated)	FY2023		FY2022		YoY	
	M.THB	%	M.THB	%	(+/-)	%
Revenues from Operation*	4,652.9	100.0%	5,114.7	100.0%	(461.8)	-9.0%
Advertising Income	3,963.2	85.2%	4,448.7	87.0%	(485.5)	-10.9%
Income from Copyright and Other Services	689.8	14.8%	666.0	13.0%	23.8	3.6%
Total Cost	(3,440.4)	-73.9%	(3,560.8)	-69.6%	(120.5)	-3.4%
Cost of Sales and Services	(3,440.4)	-73.9%	(3,560.8)	-69.6%	(120.5)	-3.4%
Gross Profit	1,212.6	26.1%	1,553.9	30.4%	(341.3)	-22.0%
Selling and Admin Expenses	(881.4)	-18.9%	(795.4)	-15.6%	85.9	10.8%
Other income	11.0	0.2%	21.0	0.4%	(10.0)	-47.7%
Reverse (Impairment loss) in accordance with Financial Reporting Standard No. 9	12.0	0.3%	40.9	0.8%	28.9	70.7%
Share of Profit from investments in joint ventures	66.3	1.4%	4.1	0.1%	62.2	1516.8%
Earning Before Interest and Tax [EBIT]	420.5	9.0%	824.4	16.1%	(404.0)	-49.0%
Interest income	35.7	0.8%	16.2	0.3%	19.5	120.0%
Finance costs	(110.2)	-2.4%	(113.5)	-2.2%	(3.4)	-3.0%
Profit before income tax expense	346.0	7.4%	727.1	14.2%	(381.1)	-52.4%
Income tax (expense) revenue	(136.0)	-2.9%	(120.0)	-2.3%	16.0	13.4%
Profit for the period	210.0	4.5%	607.1	11.9%	(397.2)	-65.4%
Net Profit attributable to BEC World	210.0	4.5%	607.0	11.9%	(397.0)	-65.4%
Non-controlling interests	0.0	0.0%	0.0	0.0%	(0.0)	-90.4%
Earning Per Share (Baht)	0.11		0.30		(0.20)	-65.4%
EBITDA	2,124.3	45.7%	2,738.8	53.5%	(614.5)	-22.4%

*Revenues from Operation (excluding other income) for analysis in the Management Discussion and Analysis.

REVENUE

As a result of the overall economic and industry situation mentioned above, BEC Group's advertising income in 2023 decreased by Baht 485.5 million or 10.9% YoY from 2022 to at Baht 3,963.2 million in 2023 although the company was able to increase its leadership and popularity in TV ratings in its target group with quality dramas such as "Royal Doctor", "To the Moon and Back" and "Love Destiny 2" which had become a driving force for the country's Soft Power in line with the government's policy of promoting "5F Soft Power. Advertising income continued to be the primary source of income for BEC Group, accounting for 85.2% of the revenue from operations, which was still mainly from the revenue from airtime of Channel "33".

BEC Group was able to increase its income from copyright and other services in 2023 to Baht 689.8 million, an increase of Baht 23.8 million or 3.6% YoY from 2022. Income from copyrights and other services consisted of revenue from two main businesses: Global Content Licensing and Digital Platform accounted for 14.4% of BEC Group's revenues from operation. Thanks to the popularity of dramas that had become a social Soft Power and the partnership with various partners to increase SVOD members.

In summary, BEC Group's revenue from operation for 2023 was at Baht 4,652.9 million, a decrease of Baht 461.8 million or 9% YoY from Baht 5,114.7 million in 2022.

COST OF SALES

Cost of sales and services in 2023 amounted to Baht 3,440.4 million, a decrease of Baht 120.5 million or 3.4% YoY from 2022 at Baht 3,560.8 million due to lower international series acquisition and adjustments in the program schedule, which reduced airtime for dramas (after primetime news) to 1.30 hours instead of the usual 2 hours starting in 1Q/23 and the use of re-run dramas to control costs, following the ongoing cost control measures.

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GROSS PROFIT

Since the decline in BEC Group's revenues from operation in 2023 was greater than the decline in BEC Group's cost of sales, BEC Group's gross profit in 2023 was at Baht 1,212.6 million, a decrease of Baht 341.3 million or 22%YoY from Baht 1,553.9 million in 2022. BEC Group's gross profit margin in 2023 was 26.1%, down from 30.4% in the previous year.

While BEC Group remained committed to effective cost management and control, the Company had expanded various units in recent years, such as BEC Studio, and rehired employees to support new businesses. This, along with the cost of public relations and promotion of new dramas, and the ongoing development of BEC Group's digital platform 3Plus, had resulted in an increase in BEC Group's selling and administrative expenses in 2023 to Baht 881.4 million, an increase of Baht 85.9 million or 10.8% from Baht 795.4 million in 2022.

OTHER INCOME

Other income of BEC Group for 2023 amounted to Baht 11 million, decreased by Baht 9.3 million or 45.9% YoY from 2022 at Baht 21 million which was mainly from profit on exchange rate.

SHARE OF PROFIT FROM INVESTMENTS IN JOINT VENTURES

For the year 2023, the Company recognized the share of profit from the "Buaphan Fan Yap " joint venture according to the equity method in line with the investment proportion in the amount of Baht 5.1 million. When combined with the share of profit in 2022 of Baht 4.1 million, the Company would have recognized the share of profit from the "Buaphan Fan Yap " joint venture totaling of Baht 9.2 million. Moreover, in 4Q/23 the Company recognized the share of profit from the Joint Venture Major Join Film and BEC World for the movie "Tee Yod" of Baht 61.2 million. Therefore, in 2023, the Company recognized share of profit from investments in Joint venture of Baht 66.3 million. This was considered another success for BEC Group in its continued investment in the film business, in line with the Company's strategy.

FINANCE COSTS

BEC Group's finance costs in 2023 was at Baht 110.2 million, decreasing Baht 3.4 million or 3% YoY from 2022 at Baht 113.5 million.

INCOME TAX EXPENSES

Income tax expenses of BEC Group in 2023 was at Baht 136 million, increasing Baht 16 million or 13.4% YoY from 2022. This was mainly due to the issues of the use of deferred tax benefits of subsidiaries, while tax expenses in 2022 were lower than normal due to losses from the sale of marketable securities that could be used as tax benefits.

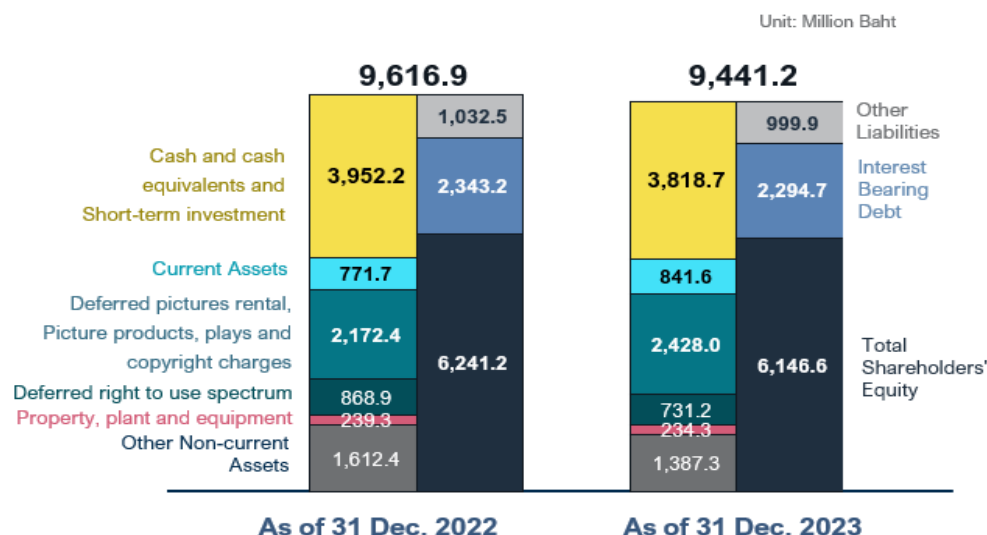
CONCLUSION

In conclusion, BEC Group reported a consolidated net profit attributable to BEC World of Baht 210 million or decreasing Baht 397 million or 65.4% YoY from 2022. In addition, BEC Group had a net cash flow from operating activities of Baht 1,973.9 million, with Cash and short-term investment equivalents of Baht 3,818.7 million as at the end of the year 2023.

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STATEMENT OF FINANCIAL POSITION



ASSETS

As at December 31, 2023, BEC Group had total assets of Baht 9,441.2 million, a decrease of Baht 175.7 million or 1.8% YoY from Baht 9,616.9 million as of December 31, 2022. This was mainly due to the decrease in cash and cash equivalents from the payment of dividends of Baht 320 million.

Total current assets decreased by Baht 63.6 million or 1.3%YoY to Baht 4,660.3 million. This was mainly due to the decrease in cash and short-term investments equivalents of Baht 133.5 million, from Baht 3,952.2 million as of December 31, 2022 to Baht 3,818.7 million as of December 31, 2023. This was due to the payment of dividends to shareholders at a rate of 0.16 baht per share, totaling Baht 320 million. However, other current assets increased by 9.1% from Baht 771.7 million to Baht 841.6 million baht this year, mainly due to the increase in current income tax assets.

Total non-current assets decreased by Baht 112.1 million baht or 2.3% to Baht 4,780.8 million as at December 31, 2023. This was mainly due to the decrease in non-current assets during the year 2023, such as deferred rights to use spectrum, deferred tax assets and other non-current assets. The decrease was notwithstanding the increase in investments in joint ventures from investments in "Major Join Film and BEC World" and the increase in deferred pictures rental, picture products, plays and copyright charges during the year.

LIABILITIES

As at December 31, 2023, BEC Group had total liabilities of Baht 3,294.6 million baht, a decrease of Baht 81.1 million or 2.4% from Baht 3,375.7 million at the end of 2022.

Interest-bearing debt decreased by Baht 48.5 million or 2.1% from Baht 2,343.2 million at the end of 2022 to Baht 2,294.7 million as at December 31, 2023. Most of the interest-bearing debt were from the debentures issued in 2022.

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SHAREHOLDERS' EQUITY

As at December 31, 2023, BEC Group had a Total Shareholders' Equity of Baht 6,146.6 million, decreasing Baht 94.6 million or 1.5% from Baht 6,241.2 million as at December 31, 2022. The decrease in shareholders' equity was due to the payment of dividends of Baht 320 million baht, which was more than the net profit for the year of Baht 210 million.

Based on the statement of financial position, the Company had a strong financial position with a Current Ratio of 6.12 times, Total Debt to Equity Ratio of 0.54 times, Interest-Bearing Debt to Equity Ratio of 0.37 times, and Net Interest-Bearing debt to Equity Ratio of -0.25 times.

STATEMENT OF CASH FLOWS

Statement of Cash Flows (Unit: million baht)	As of December 31, 2023	As of December 31, 2022
Net Cash Flows Provided from (Used In) Operating Activities	1,973.9	2,719.6
Net Cash Flows Provided from (Used In) Investing Activities	(2,729.2)	(1,913.9)
Net Cash Flows Provided from (Used In) Financing Activities	(380.5)	(1,571.6)
Net Increase (Decrease) in Cash and Cash Equivalents	(1,135.8)	(765.9)
Cash and Cash Equivalents at the Beginning of the Period	3,952.2	4,718.2
Less cash and cash equivalents transferred from the dissolution of the subsidiaries	-5.7	-
Cash and Cash Equivalents at the Ending of the Period	2,810.7	3,952.2

For the statement of cash flows for the year ended December 31, 2023, BEC Group had net cash from operating activities of Baht 1,973.9 million, decreasing Baht 745.7 million or 27.4% from the previous year due to lower net profit for the year 2023 as well as lower depreciation and amortization expenses for the year.

Net cash used in investing activities was at Baht 2,729.2 million, an increase of Baht 815.3 million or 42.6% from Baht 1,913.9 million as at December 31, 2022. This was mainly due to the increase in cash used for investment in short-term deposits of Baht 1,008 million, while cash used in pictures rental, picture products, plays and copyright charges decreased by Baht 98.2 million.

In addition, BEC Group had net cash used in financing activities amounting to Baht 380.5 million as at December 31, 2023, mainly due to the payment of dividends of Baht 320 million. In the previous year, there was a repayment of matured debentures and cash proceeds from the issuance of two new series of debentures.

As at December 31, 2023, BEC Group had a net decrease in cash and cash equivalents of Baht 1,135.8 million from December 31, 2022. This was mainly due to the use of cash for investment in short-term deposits of Baht 1,008 million. As a result, cash and cash equivalents at the end of 2023 was at Baht 2,810.7 million, comparing to Baht 3,952.2 million at the beginning of the year.

The Company has instituted a credit term policy with business partners or customers as follows:

1. New Customers: No credit term. There must be a prepayment before broadcasting or providing services.
2. Existing Customers: Credit terms between 30 - 45 days except for some customers which are government agencies whose credit terms might be longer than the standard.

In 2023, the Company's average collection period from trade accounts receivable was 38 days which is within the Company's policy.

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MANAGEMENT OUTLOOK ON FUTURE OPERATIONS

The year 2024 will be another challenging year for the Company. The Thai Bankers Association predicts that the Thai economy in 2024 will grow slowly and expand within a range of 2.8-3.3%. This growth will be supported by economic stimulus measures, such as the Easy E-Receipt Tax Scheme and the continued recovery of the tourism sector, which is expected to see the number of foreign tourists increase to 33-34 million. In addition, the government is focusing on and accelerating its efforts to address the problem of informal sector loan and household debt in Thailand, which is at a high level, mainly from mortgages and personal consumption loans. There is also pressure from global economic uncertainties, resulting from geopolitical situation including Israel and Hamas conflict which led to attacks on cargo ships in the Suez Canal and the Red Sea, pushing up freight rates and putting pressure on production costs while the war between Russia and Ukraine has not yet resolved. These uncertainties have exacerbated the slowdown in the global economy and made it necessary to monitor the impact on Thai exports which rely on the European markets. The Thai economy will be affected both directly and indirectly, so it is important to closely monitor the situation, both the slowdown in exports and the key uncertainty of 2024 fiscal policies.

Despite the overall uncertainties, the Company still sees opportunities to grow its business steadily. The Company is committed to developing its organizational capabilities proactively. Therefore, it focuses on developing its internal personnel to have the knowledge and readiness to produce quality content that is popular with the target audience. The Company also aims to have a variety of content distribution channels to reach new audiences as much as possible. Additionally, the Company is expanding into new businesses beyond its core television business. This is in line with the Company's vision to be "Thailand's leading content and entertainment platform" under the "Single Content, Multiple Platforms" strategy. The Company sets the following growth targets for each of its business groups:

- BEC Group operates as a leader in the television business market, with an aim to retain its existing audience and expand its audience base to new groups.
- The Company aims to expand its Global Content Licensing Business to new territories and increase sales from existing customers. BEC Group's 3Plus digital platform is expanding its audience base to younger generations who still watch Channel 3 content but may not watch it primarily through television. The platform is also organizing marketing activities to increase the number of subscribers to its Subscription Video on Demand (SVoD) service. It is also used to promote Channel 3's actors to expand 3Plus's audience base which could lead to advertisements of customers' products and services in more diversified channels.
- BEC Studio Company Limited ("BEC Studio"), a subsidiary of the BEC Group, operates as a fully integrated content producer including producing dramas for broadcast on Channel 3 and content production, both original contents and on-demand Contents for both domestic and international platform providers and the 3Plus platform.
- From the success of the movie business, "Tee Yod", in 2024, the Company plans to resell this movie rights to other platforms both domestic and international and plans to produce up to 2-3 more movies.

Beyond maintaining television advertising revenue, the Company seeks long-term growth through diversified income streams. This includes revenue from trending digital platforms, content licensing both domestically and internationally, expanding music business, and leveraging intellectual property like "Love Destiny 2" drama

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(copyrighted characters, costumes, motto, and trademark). The Company will launch artist management in 2024.

DRIVING BUSINESS FOR BEC GROUP'S SUSTAINABILITY

The BEC Group has recognized that achieving goals and sustainability in business requires more than just good operating results. It involves building businesses on the foundation of good corporate governance, social responsibility, and environmental care, as well as meeting the expectations of stakeholders from upstream to downstream, both directly and indirectly throughout the value chain of business operations. This is to make BEC Group a 'Total Entertainment Company' that can grow alongside society, communities, and the environment sustainably. In 2023, BEC Group carried out various activities related to Environment, Social, and Governance (ESG) as follows:

Environmental Aspects

- On March 10, 2023, Channel 3 participated in a seminar and visited "Klang Island Community Comprehensive Waste Management Model Project" at the Queen's 80th Anniversary Park, 100 Years of the Ministry of Transport (Sukhumvit 48/1). Klang Island community is a model community for waste management that receives the cooperation of every household in the community for segregation and utilization of waste. As a result, the amount of waste in sample household can be reduced by more than 50% or approximately 4.9 tons per year and reduce expenses within the community approximately Baht 107,400 per year.
- "Channel 3 Volunteers To Do Good, Planting trees, and Creating Food Sources for Wildlife" in Nakhon Ratchasima Province from August 18 to 19 2023. Executives and voluntary employees joined hands to plant trees, enhancing the greenery of the forest. Together, the employee volunteers improved grasslands, eradicated weeds, and learned how to create artificial salt licks to provide essential minerals for wildlife. Additionally, they gained insights into the natural ecosystem. Furthermore, employees participated in almsgiving, received Dhamma teachings, and received blessings from Luang Pho Kanha Sukkamo at Wat Pa Sap Thawi Thammaram, Wang Nam Khiao District, Nakhon Ratchasima Province



Social and Community Aspects

- BEC Group and Channel 3 recognized the significance of education and human rights of underprivileged students in remote schools. Therefore, on May 19, 2023, BEC Group organized an event called "Channel 3 Volunteers to Do Good for the Border Patrol Police School" with the participation of 50 volunteers. The event took place at Ban Phraek Ta Kro Border Patrol Police School, Hua Hin District, Prachuap Khiri Khan Province. The Border Patrol Police Unit cooperated in providing support for the students, aiming to





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ensure equitable opportunities for education. During the event, the volunteers sponsored the printing of students' workbooks worth Baht 10,000 and donated essential items. Additionally, they arranged games and performances to promote holistic development and foster a sense of unity among the students.

- On June 23, 2023, the Economics Cultural Division of the Ministry of Culture, responsible for a public relations project promoting the creative cultural industry encompassing 5F (Food, Film, Festival, Fighting, Fashion), took the initiative to boost interest among the Chinese tourists by introducing the Royal Doctor drama PR in China. The aim was to create awareness and attraction for this cultural gem, offering a unique guideline for Chinese tourists visiting Thailand to dress in the style of the drama and helped promote a wider recognition and popularity of the Royal Doctor drama within China.
- BEC Group organized the "CH3 News Creator Program, Gen 2", which was open for the general public, students, and scholars who had a passion for journalism. Participants had the opportunity to receive training in mass communication, allowing them to learn and hone their skills in both the theoretical and practical aspects of the news industry. The program aimed to empower participants with the knowledge and expertise necessary to pursue a career in journalism in the future. Training sessions was from August 2 to October 30, 2023.

Governance Aspects

- BEC World Public Company Limited received a rating of "excellent" or 5 stars for the year 2023 from the Corporate Governance Report of Thai Listed Companies 2023 prepared by the Thai Institute of Directors which was announced on October 31, 2023.
- Publications on good corporate governance contents via the Company's E-magazine every week, such as PDPA, which included the rights to request access and a copy of personal data, and "Act on 3" with New Year's Resolutions, "Transparency, No Corruption", etc.



Best regards,

 (Piriya-dit Choophungart)
 Executive Vice President, Finance & Accounting
 BEC World Public Company Limited

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KEY FINANCIAL RATIOS

Financial Ratios	2023	2022
Current Ratio (Times)	6.12	6.02
EBITDA to Revenue (%)	45.7%	53.5%
Net Profit to Revenue (%)	4.5%	11.9%
Book Value Per Share (Baht/Share)	3.07	3.12
Earnings Per Share (Baht/Share)	0.11	0.30
Return on Total Assets (%)	2.2%	6.1%
Return on Equity (%)	3.4%	9.8%
Total Debt to Equity (Times)	0.54	0.54
Interest Bearing Debt to Equity (Times)	0.37	0.38
Net Interest-Bearing Debt to Equity (Times)	-0.25	-0.26
Net Interest-Bearing Debt to EBITDA (Times)	-0.72	-0.59

Note :

Current ratio	=	Current assets divided by current liabilities
EBITDA to sales revenue	=	EBITDA divided by sales revenue
Net profit on sale revenue	=	Net profit divided by sales revenue
Book Value Per Share	=	Total Shareholders' Equity divided by number of shares
Earnings Per Share	=	Profit (Loss) attribute to equity holders of the parent divided by number of shares
Return on total assets	=	Net profit divided by average total assets
Return on equity	=	Net profit divided by average total shareholder's equity
Interest Bearing Debt to Shareholders' Equity	=	Interest Bearing Debt divided by shareholder's equity
Net Interest-Bearing Debt to Equity	=	Interest Bearing Debt net from cash and cash equivalent and current investments divided by shareholder's equity
Net Interest-Bearing Debt to EBITDA	=	Interest Bearing Debt net from cash and cash equivalent and current investments divided by EBITDA
EBITDA	=	Earnings Before Interest, Tax, Depreciation and Amortization